



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/719,056	02/12/2001	Yoshihito Ishibashi	450108-02448	3732
20999	7590	10/31/2005		
FROMMER LAWRENCE & HAUG 745 FIFTH AVENUE- 10TH FL. NEW YORK, NY 10151			EXAMINER CANGIALOSI, SALVATORE A	
			ART UNIT	PAPER NUMBER
			3621	

DATE MAILED: 10/31/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/719,056

Applicant(s)

ISHIBASHI ET AL.

Examiner

Salvatore Cangialosi

Art Unit

3621

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 10/03/05.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-21 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-21 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date 10/03/05.
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____.

Art Unit: 3621

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requires of this title.

Claims 16-18 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts.

In the present case, claim 16 only recites an abstract idea. The recited steps of merely providing prices for content and performing a mathematical analysis to modify a price does not apply, involve, use, or advance the technological arts since all of the recited steps can be performed in the mind of the user or by use of a pencil and paper. These steps only constitute an idea of how to modify the price of content.

Additionally, for a claimed invention to be statutory, the claimed invention must produce

Art Unit: 3621

a useful, concrete, and tangible result. In the present case, the claimed invention produces billing information based on prices (i.e., useful and tangible).

Although the recited process produces a useful, concrete, and tangible result, since the claimed invention, as a whole, is not within the technological arts as explained above, claim 16 is deemed to be directed to non-statutory subject matter. Note that the method on the computer readable medium, can be text based instructions for a human as opposed to instructions for a processor.

2. The following is a quotation of 35 U.S.C. § 103 which forms the basis for all obviousness rejections set forth in this

Office action:

A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Subject matter developed by another person, which qualifies as prior art only under subsection (f) or (g) of section 102 of this title, shall not preclude patentability under this section where the subject matter and the claimed invention were, at the time the invention was made, owned by the same person or subject to an obligation of assignment to the same person.

3. Claims 1-21 are rejected under 35 U.S.C. § 103 as being unpatentable over Saito (5867579) in view of Nielsen(6002771) (both cited by applicant)) and Auerbach et

Serial Number: 09/719,056

4

Art Unit: 3621

al(5673316).

Regarding claim 1, Saito (See Figs 5 and 14, Cols. 24, lines 25-65 show the distribution and purchase of encrypted digital content substantially as claimed. The differences between the above and the claimed invention is the use of purchase of discounts. Nielsen (See abstract, Figs. 1,2,4, 7, 9A, Col. 1, lines 40-60, Col. 5, lines 45-60, claims 1-29) show a method of providing encrypted means for reducing the price of a second purchase based on a first purchase of digital content substantially as claimed. Auerbach et al (See Fig. 6, Col. 3, lines 5-20) shows that transmission of encrypted content is old and well known as well as a server applying discounts on a base price. It would have been obvious to the person having ordinary skill in this art to provide a similar arrangement for Saito because discounts for subsequent purchase are standard well-accepted business practices. Regarding the use limitations of claim 2, Nielsen (See abstract, Figs. 1,2,4, 7, 9A, Col. 1, lines 40-60, Col. 5, lines 45-60, claims 1-29) disclose a method of providing encrypted means for reducing the price of a second purchase based on a first purchase of digital content which is a functional equivalent of the claim limitations. Regarding the account limitations of claim 3, Nielsen (See abstract, Figs. 1,2,4, 7, 9A, Col. 1, lines 40-60, Col. 5, lines 45-60, claims 1-29) disclose a method of providing encrypted means for reducing the price of a second purchase based on a first purchase of

Art Unit: 3621

digital content by provided an encrypted discount which is a functional equivalent of the claim limitations. Regarding claim 4, Saito (See Figs 5 and 14, Cols. 24, lines 25-65 disclose a method for the distribution and purchase of encrypted digital content substantially as claimed. The differences between the above and the claimed invention is the use of purchase of discounts. Nielsen (See abstract, Figs. 1,2,4, 7, 9A, Col. 1, lines 40-60, Col. 5, lines 45-60, claims 1-29) show a method of providing encrypted means for reducing the price of a second purchase based on a first purchase of digital content substantially as claimed. Auerbach et al (See Fig. 6, Col. 3, lines 5-20) shows that transmission of encrypted content is old and well known as well as a server applying discounts on a base price. It would have been obvious to the person having ordinary skill in this art to provide a similar arrangement for Saito because discounts for subsequent purchase are standard well-accepted business practices. Regarding claim 5, Saito (See Figs 5 and 14, Cols. 24, lines 25-65 disclose a program means for the distribution and purchase of encrypted digital content substantially as claimed. The differences between the above and the claimed invention is the use of purchase of discounts. Nielsen (See abstract, Figs. 1,2,4, 7, 9A, Col. 1, lines 40-60, Col. 5, lines 45-60, claims 1-29) show a method of providing encrypted means for reducing the price of a second purchase based on a first purchase of digital content substantially as claimed.

Art Unit: 3621

Auerbach et al (See Fig. 6, Col. 3, lines 5-20) shows that transmission of encrypted content is old and well known as well as a server applying discounts on a base price. It would have been obvious to the person having ordinary skill in this art to provide a similar arrangement for Saito because discounts for subsequent purchase are standard well-accepted business practices. Regarding claim 6, Saito (See Figs 5 and 14, Cols. 24, lines 25-65 disclose a means for the distribution and purchase of encrypted digital content substantially as claimed. The differences between the above and the claimed invention is the use of purchase of discounts. Nielsen (See abstract, Figs. 1,2,4, 7, 9A, Col. 1, lines 40-60, Col. 5, lines 45-60, claims 1-29) show a method of providing encrypted means for reducing the price of a second purchase based on a first purchase of digital content substantially as claimed. Auerbach et al (See Fig. 6, Col. 3, lines 5-20) shows that transmission of encrypted content is old and well known as well as a server applying discounts on a base price. It would have been obvious to the person having ordinary skill in this art to provide a similar arrangement for Saito because discounts for subsequent purchase are standard well-accepted business practices. Regarding claim 7, Saito (See Figs 5 and 14, Cols. 24, lines 25-65 disclose a method for the distribution and purchase of encrypted digital content substantially as claimed. The differences between the above and the claimed invention is the use of purchase of discounts.

Art Unit: 3621

Nielsen (See abstract, Figs. 1,2,4, 7, 9A, Col. 1, lines 40-60, Col. 5, lines 45-60, claims 1-29) show a method of providing encrypted means for reducing the price of a second purchase based on a first purchase of digital content substantially as claimed.

Auerbach et al (See Fig. 6, Col. 3, lines 5-20) shows that transmission of encrypted content is old and well known as well as a server applying discounts on a base price. It would have been obvious to the person having ordinary skill in this art to provide a similar arrangement for Saito because discounts for subsequent purchase are standard well-accepted business practices. Regarding claim 8, Saito (See Figs 5 and 14, Cols. 24, lines 25-65 disclose a program means for the distribution and purchase of encrypted digital content substantially as claimed. The differences between the above and the claimed invention is the use of purchase of discounts. Nielsen (See abstract, Figs. 1,2,4, 7, 9A, Col. 1, lines 40-60, Col. 5, lines 45-60, claims 1-29) show a method of providing encrypted means for reducing the price of a second purchase based on a first purchase of digital content substantially as claimed. Auerbach et al (See Fig. 6, Col. 3, lines 5-20) shows that transmission of encrypted content is old and well known as well as a server applying discounts on a base price. It would have been obvious to the person having ordinary skill in this art to provide a similar arrangement for Saito because discounts for subsequent purchase are standard well-accepted business practices. Regarding claim 9, Saito (See

Art Unit: 3621

Figs 5 and 14, Cols. 24, lines 25-65 disclose a means for the distribution and purchase of encrypted digital content substantially as claimed. The differences between the above and the claimed invention is the use of purchase of discounts.

Nielsen (See abstract, Figs. 1,2,4, 7, 9A, Col. 1, lines 40-60, Col. 5, lines 45-60, claims 1-29) show a method of providing encrypted means for reducing the price of a second purchase based on a first purchase of digital content substantially as claimed.

Auerbach et al (See Fig. 6, Col. 3, lines 5-20) shows that transmission of encrypted content is old and well known as well as a server applying discounts on a base price. It would have been obvious to the person having ordinary skill in this art to provide a similar arrangement for Saito because discounts for subsequent purchase are standard well-accepted business practices. Regarding claim 10, Saito (See Figs 5 and 14, Cols. 24, lines 25-65 disclose a means for the distribution and purchase of encrypted digital content substantially as claimed. The differences between the above and the claimed invention is the use of purchase of discounts. Nielsen (See abstract, Figs. 1,2,4, 7, 9A, Col. 1, lines 40-60, Col. 5, lines 45-60, claims 1-29) show a method of providing encrypted means for reducing the price of a second purchase based on a first purchase of digital content substantially as claimed. Auerbach et al (See Fig. 6, Col. 3, lines 5-20) shows that transmission of encrypted content is old and well known as well as a server applying discounts on a

Art Unit: 3621

base price. It would have been obvious to the person having ordinary skill in this art to provide a similar arrangement for Saito because discounts for subsequent purchase are standard well-accepted business practices. Regarding claim 11, Saito (See Figs 5 and 14, Cols. 24, lines 25-65 disclose a program means for the distribution and purchase of encrypted digital content substantially as claimed. The differences between the above and the claimed invention is the use of purchase of discounts. Nielsen (See abstract, Figs. 1,2,4, 7, 9A, Col. 1, lines 40-60, Col. 5, lines 45-60, claims 1-29) show a method of providing encrypted means for reducing the price of a second purchase based on a first purchase of digital content substantially as claimed. Auerbach et al (See Fig. 6, Col. 3, lines 5-20) shows that transmission of encrypted content is old and well known as well as a server applying discounts on a base price. It would have been obvious to the person having ordinary skill in this art to provide a similar arrangement for Saito because discounts for subsequent purchase are standard well-accepted business practices. Regarding claim 12, Saito (See Figs 5 and 14, Cols. 24, lines 25-65 disclose a means for the distribution and purchase of encrypted digital content substantially as claimed. The differences between the above and the claimed invention is the use of purchase of discounts. Nielsen (See abstract, Figs. 1,2,4, 7, 9A, Col. 1, lines 40-60, Col. 5, lines 45-60, claims 1-29) show a method of providing

Art Unit: 3621

encrypted means for reducing the price of a second purchase based on a first purchase of digital content substantially as claimed.

Auerbach et al (See Fig. 6, Col. 3, lines 5-20) shows that transmission of encrypted content is old and well known as well as a server applying discounts on a base price. It would have been obvious to the person having ordinary skill in this art to provide a similar arrangement for Saito because discounts for subsequent purchase are standard well-accepted business practices. Regarding the account limitations of claim 13, Nielsen (See abstract, Figs. 1,2,4, 7, 9A, Col. 1, lines 40-60, Col. 5, lines 45-60, claims 1-29) disclose a method of providing encrypted means for reducing the price of a second purchase based on a first purchase of digital content by provided an encrypted discount which is a functional equivalent of the claim limitations. Regarding claim 14, Saito (See Figs 5 and 14, Cols. 24, lines 25-65 disclose a method for the distribution and purchase of encrypted digital content substantially as claimed. The differences between the above and the claimed invention is the use of purchase of discounts. Nielsen (See abstract, Figs. 1,2,4, 7, 9A, Col. 1, lines 40-60, Col. 5, lines 45-60, claims 1-29) show a method of providing encrypted means for reducing the price of a second purchase based on a first purchase of digital content substantially as claimed. Auerbach et al (See Fig. 6, Col. 3, lines 5-20) shows that transmission of encrypted content is old and well known as well as a server applying discounts on a

Art Unit: 3621

base price. It would have been obvious to the person having ordinary skill in this art to provide a similar arrangement for Saito because discounts for subsequent purchase are standard well-accepted business practices. Regarding claim 15, Saito (See Figs 5 and 14, Cols. 24, lines 25-65 disclose a program means for the distribution and purchase of encrypted digital content substantially as claimed. The differences between the above and the claimed invention is the use of purchase of discounts.

Nielsen (See abstract, Figs. 1,2,4, 7, 9A, Col. 1, lines 40-60, Col. 5, lines 45-60, claims 1-29) show a method of providing encrypted means for reducing the price of a second purchase based on a first purchase of digital content substantially as claimed.

Auerbach et al (See Fig. 6, Col. 3, lines 5-20) shows that transmission of encrypted content is old and well known as well as a server applying discounts on a base price. It would have been obvious to the person having ordinary skill in this art to provide a similar arrangement for Saito because discounts for subsequent purchase are standard well-accepted business practices. Regarding claim 16, Saito (See Figs 5 and 14, Cols. 24, lines 25-65 disclose a method for the distribution and purchase of encrypted digital content substantially as claimed. The differences between the above and the claimed invention is the use of purchase of discounts. Nielsen (See abstract, Figs. 1,2,4, 7, 9A, Col. 1, lines 40-60, Col. 5, lines 45-60, claims 1-29) show a method of providing encrypted means for reducing the

Art Unit: 3621

price of a second purchase based on a first purchase of digital content substantially as claimed. Auerbach et al (See Fig. 6, Col. 3, lines 5-20) shows that transmission of encrypted content is old and well known as well as a server applying discounts on a base price. It would have been obvious to the person having ordinary skill in this art to provide a similar arrangement for Saito because discounts for subsequent purchase are standard well-accepted business practices. Regarding the price limitations of claim 17, Nielsen (See abstract, Figs. 1,2,4, 7, 9A, Col. 1, lines 40-60, Col. 5, lines 45-60, claims 1-29) disclose a program means of providing encrypted means for reducing the price of a second purchase based on a first purchase of digital content which is a functional equivalent of the claim limitations. Regarding the decrypting limitations of claim 18, Saito (See Figs 5 and 14, Cols. 24, lines 25-65 disclose a method for the distribution and purchase of encrypted digital content at many locations, which is a functional equivalent of the claim limitations. Regarding claim 19, Saito (See Figs 5 and 14, Cols. 24, lines 25-65 disclose a means for the distribution and purchase of encrypted digital content substantially as claimed. The differences between the above and the claimed invention is the use of purchase of discounts. Nielsen (See abstract, Figs. 1,2,4, 7, 9A, Col. 1, lines 40-60, Col. 5, lines 45-60, claims 1-29) show a method of providing encrypted means for reducing the price of a second purchase based on a first purchase of digital

Art Unit: 3621

content substantially as claimed. Auerbach et al (See Fig. 6, Col. 3, lines 5-20) shows that transmission of encrypted content is old and well known as well as a server applying discounts on a base price. It would have been obvious to the person having ordinary skill in this art to provide a similar arrangement for Saito because discounts for subsequent purchase are standard well-accepted business practices. Regarding the price limitations of claim 20, Nielsen (See abstract, Figs. 1,2,4, 7, 9A, Col. 1, lines 40-60, Col. 5, lines 45-60, claims 1-29) disclose a program means of providing encrypted means for reducing the price of a second purchase based on a first purchase of digital content which is a functional equivalent of the claim limitations. Regarding the decrypting limitations of claim 21, Saito (See Figs 5 and 14, Cols. 24, lines 25-65 disclose a method for the distribution and purchase of encrypted digital content at many locations, which is a functional equivalent of the claim limitations.

Examiner's Note: Although Examiner has cited particular columns, line numbers and figures in the references as applied to the claims above for the convenience of the applicant(s), the specified citations are merely representative of the teaching of the prior art that are applied to specific limitations within the individual claim and other passages and figures may apply as well. It is respectfully requested that the applicant(s), in preparing the response, fully consider the items of evidence in

Serial Number: 09/719,056

14

Art Unit: 3621

their entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the Examiner.

Applicants arguments filed 08/15/2005 are moot due the new grounds of rejection.

Any inquiry concerning this communication should be directed to Salvatore Cangialosi at telephone number **(571) 272-6927**. The examiner can normally be reached 6:30 Am to 5:00 PM, Tuesday through Friday. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell, can be reached at **(571)272-6712**.

Any response to this action should be mailed to:

Mail Stop Amendment
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

or faxed to (703)872-9306

Hand delivered responses should be brought to

United States Patent and Trademark Office
Customer Service Window
Randolph Building
401 Dulany Street
Alexandria, VA 22314

Any inquiry of a general nature or relating to the status of

Serial Number: 09/719,056

15

Art Unit: 3621

this application or proceeding should be directed to the Technology Center 3600 Customer Service Office whose telephone number is (703) 306-5771.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).


SALVATORE CANGIALOSI
PRIMARY EXAMINER
ART UNIT 222